

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7263

BILL NUMBER: HB 1319

DATE PREPARED: Jan 5, 2002

BILL AMENDED:

SUBJECT: Report Concerning Use of Public Funds.

FISCAL ANALYST: Chuck Mayfield

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FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires certain persons who receive more than \$50,000 during a year from the state or a political subdivision to file with the agency providing the money an annual report detailing the uses for which the person spent the money. It requires a person who fails to file the report to repay the state or the political subdivision the money given to the person. The bill provides the state or the political subdivision with a cause of action to recover money from a person who fails to file the report.

Effective Date: July 1, 2002.

Explanation of State Expenditures: The bill defines a person as an individual, sole proprietorship, a partnership, an unincorporated association, a trust, a business trust, a limited liability company, a corporation, or any other legal entity, but does not include state or local governments, bodies corporate and politic, or the federal government.

The bill does not apply to a person that receives money for the following:

- Supplies or services provided under a contract.
- Salary, wages, or other benefits received as an employee.
- As payment under a program that specifies the person is entitled to the payment if the person meet's eligibility criteria established by law.

The number of people required to file the report is not known. Most of the services provided to state and local governments are by means of a contract. The bill could potentially reduce expenditures or increase revenue if the person fails to submit the report and the agency recovers the payment. State and local governments could have some additional expenses involved with the processing of the filed reports.

Explanation of State Revenues:

Explanation of Local Expenditures: See *Explanation of State Expenditures*.

Explanation of Local Revenues:

State Agencies Affected: All.

Local Agencies Affected: All.

Information Sources: